

APPROVED September 16, 2009

At 7:10 PM Chairman Charles Kimball called the meeting to order. Budget Committee members present were Charles Kimball, Andy Kohlhofer, Michael Nygren, Pat Martel, Laurie Leveille, Susan D'Eon, Selectman Donald Gates, Jr., School Board Member Peg Pinkham, Town Administrator Heidi Carlson, Ida Keane School Board Member and Recording Secretary Jeanne Nygren.

A motion to approve the minutes of the August 12, 2009 meeting was made by Nygren, seconded by D'Eon. The vote was 8-0 in favor.

The Committee started to discuss the 2010 budget, how they want to go through each department and do they want all the department heads to come in. Martel suggested the Committee review each budget and then submit questions for each department.

Pinkham said that she has a conflict with the meeting next week. She has a meeting at Sanborn School District and won't be here until around 7:45.

Kimball asked Gates if all these budgets are ready for the Committee. Kohlhofer feels we can probably do them all next Wednesday and just have the Fire Chief come in as his is a large budget. At first Kohlhofer wanted to have each department head come in, but Gates asked if the budget comes in below last year's figure do we really need to do this. Kohlhofer then felt that Conservation/Planning/Zoning and Fire Rescue, two of the larger budgets that are ready need to come in. Nygren asked that at one of the Selectmen's meetings there was a mention of possibly closing the building for a day to decrease work hours without changing benefits. He wondered if the Selectmen approached that or are they taking a different avenue. Gates said you could ask them. This is one of the things Nygren would like to present to the Selectmen with revenues down and also the economy being down and he felt this would seem reasonable. Gates said what the Selectmen have done is incorporated some jobs. The Health position is now part of the Building Inspector's responsibility, where his department has been slow. Nygren asked if they combined these two positions. Gates answered yes. Kimball sees no reason for them to come in if it is lower. Pinkham asked if we are going to have these budgets available tonight. They will be passed out for their review.

Carlson came in to pass out the budgets the Selectmen have already made recommendations on. These budgets were 4140 Election and Registration, 4191 Planning & Zoning/Land Use, 4215 Ambulance Service, 4220 Fire Rescue Department, 4415 Health, 4583 Patriotic Purposes and 4610 Conservation Commission. Carlson wants to know by the end of the meeting tonight which departments the Budget Committee wants to schedule, so she can arrange this along with their schedules and the department heads meeting with the Selectmen. She would like a list tonight so she can start making these appointments.

Kimball said they won't know until the Committee looks at these budgets which Carlson handed out to the members.

Nygren, (while looking at the spreadsheet Carlson handed out) asked why 2009 "appropriated" wasn't listed as 2009 "default" in the heading. Carlson said it could, but it was written the same as past years as appropriated and spent. (The Selectmen review budgets with each Department following Town Meeting, and the numbers for each budget were based on the departments

default amount from the 2008 budget as compared to what they asked for in 2009. Once funds were reallocated to the Department request (or close to that) for 2009, any additional funds were placed in the Tax Anticipation Note line and the Legal line, where they would not be used for other purposes without strict Board of Selectmen review. The final plan was reviewed with the Department and the Budget Committee and was finalized with submission of the State's Form MS 2. This Carlson feels needs to be stated to better understand the context of the discussion). Nygren said that in the legal line \$15,000 was appropriated and now it is \$27,000. Carlson said they put money in that line item. Nygren said all these line items were not originally appropriated by the Budget Committee or the Selectmen; they were put in by consensus or default. Carlson said the Town appropriates the total. Nygren said then money is moved around and this should be default figures and not appropriated figures. Carlson said these headings will be updated to reflect that and discussion continued about the default budget and how it had been reallocated by the Board of Selectmen, reviewed by the Budget Committee following the 2009 Town Meeting vote to adopt the default budget. Nygren also asked at the last meeting that Carlson make a list of money that is moved and where it came from. Carlson said to recreate this now would be difficult, but could be done. These budgets were walked through line by line in the process last year. She can get this off the MS 7 default, vs. MS 7 form vs. what went in on the MS 2. Carlson would need an order from the Selectmen if they want line item transfers. Carlson can do a spreadsheet for these items.

Kohlhofer asked if there was a Presidential general election in 2008, as the recommendation is \$600 less in 2010. Carlson said there were 2 primaries and Town and School meeting. Carlson said Supervisors sat down and planned out all their training sessions, etc. and that there are extra ballot clerks in the 2 primary elections in 2010 to keep movement of the voters.

Kohlhofer then asked if the Conservation Commission has requested a Public Hearing on drawing the million dollars to purchase land and if they get subsidies from other places. Carlson said they get land use change taxes 50% over the first \$10,000 collected. This is not shown anywhere in the budgets because it is not a General Fund revenue. We don't know the total until the end of the year as soon as it is received. Carlson asked the Treasurer for a total of this account and this will be made available as soon as it is received. Carlson said she knew the Conservation Commission had paid for a wildlife survey in Glen Oaks and wetland survey out of that fund. Kohlhofer asked if the Selectmen have to give their permission. Carlson said no the Commission can do that without Selectmen's recommendation. Carlson said if there is acquisition of land they have to do it through a Public Hearing. The Conservation Commission has not come to the Selectmen for any purchase of land.

Pinkham asked if the Selectmen have met with the department heads. Carlson said yes for all the budgets handed out tonight.

Kohlhofer asked outside from Fire and Rescue, do we need any other department heads to come in. Kimball thought that was the only one right now. Kohlhofer wants to know if Conservation Commission will let them know if they are looking into property for purchasing. Carlson said some of the minutes discussing particular properties are non-public, but she can ask. Gates said purchasing property that abuts Glen Oaks seems reasonable, but to purchase a straggler piece of property doesn't make sense. Carlson said part of their criteria is the location of any such purchase in respect to their goals and other protected land.

Nygren asked if the Town ever got the legal opinion from the New Hampshire Local Government Center on the expiration of the bond. Carlson said they had. Nygren cited that Kingston had the same situation and because there was no date and it had not been encumbered by vote of the Selectmen and they had to revote the whole bond issue the following year to obtain bond money. In other words, Nygren stated that if you didn't appropriate the money in that calendar year, and if the Selectmen voted on to make it non-lapsing for 5 years, then it expires and that is how the law reads. Kingston had to revote because they didn't spend it within the calendar year. Carlson said there were 2 statutes RSA 33 and RSA 32. Nygren said one supersedes the one the Town is using, the fact it is an appropriation, not the fact that it continues to be non-binding. You have to borrow the money and therefore the appropriation expires the end of that year. He feels if the money was already in the bank that you could spend that money indefinitely, but because it was not borrowed it becomes a lapsing warrant. He will go to Kingston and find out more information on the statute. Carlson would be interested in finding out

what statute this comes from. Gates wants to make sure we do it legally.

Kohlhofer said they want to just have the Fire Rescue Department come in next week. Carlson asked Chief Butler, and he is available next week on Wednesday.

Kohlhofer (while going through the Fire Rescue Department budget) said there was listed a new Thermal Imaging Camera that is most of the expense in the 4220-003 New Equipment Line. Kohlhofer asked how many firefighters are cross trained in the department. Kimball said all of the officers except two are cross trained and he is one of them. Kohlhofer asked if an "all volunteer" department is still working as opposed to having permanent employees. Pinkham asked what would be the financial comparison. Gates asked a question in regards to volunteer stipends, does it include the LOSAP. Carlson explained the different breakdowns of who gets stipends. Carlson said their roster limit is about 50.

Kohlhofer asked how much retirement is going up across the board? Carlson said because we have full time police officers in Town it went up from 11.84 % to 13.66%, and any third party detail the town has to pick up the States share of 5.85%. Kohlhofer asked if there was a pending law suit. Carlson thought that the Municipal Association is suing the State because they don't want to pay their portion of 5.7% as well as other retirement issues. The Towns cost is roughly 7% Carlson stated. The Town pays 13.66%; employees pay 9.3% for health care plus the State share. Gates said in 1972 the Governor said they will give fully paid medical benefits upon retirement in lieu of 9% pay increase. That sounded like a good deal in 1972 but now the State has changed the rules. Kohlhofer suggested that the Budget Committee go along with any type of suit that the Town may pursue. Carlson said if they wanted to allocate monies \$66.20 they could. Gates said that the Selectmen opted not to do that as whatever the results are we are going to benefit from it. Kohlhofer thought you could put it into escrow and Nygren said you can't. Carlson said last week the School and Selectmen's discussion suggested a stronger voice in Concord from the community residents and constituents regarding the economic situation. Kohlhofer wanted to get the list from the Municipal Budget Association of all the mandates that forces the Town to spend more money and we are just paying them. Nygren said there were 39 fees and taxes added.

Kohlhofer wanted to know when the Budget Committee is going to start with the school budget. Kimball said in December was projected as the time frame and Pinkham said usually the school has the budget ready around Thanksgiving.

Carlson confirmed the Fire Department next week and will present other budgets as the Selectmen have made their recommendations.

Under other business, Pinkham said there was a request from her that there is a lack of funding for athletic busing and it will affect a lot of children. They have granted funding by taking the appropriated amount from replacement of school athletic equipment. As a good will gesture by the Budget Committee she was asking if they would like to donate money. Gates asked what the parents are doing. If he had a child that wanted to play soccer then he would pay for them. Leveille said she also with her children if they wanted to play she had to pay for it plus their equipment. Pinkham said this request was from her and nothing to do with the School and she apologized in bringing it to the Committee. Kohlhofer felt that this being a public forum puts people on the spot and doesn't think it is fair or appropriate to ask of the Committee.

Kohlhofer also feels it is a tough year and the School is up 5% and the Town budget is decreasing. He asked the Committee if there was any other business for tonight. Kimball asked if the school is renegotiating the contract with the teachers. Kimball read where Manchester teachers voted not to take the full amount of their contract in lieu of being laid off. Nygren said the second part of the article 1/2 is back by grant money and other part is 9% guaranteed raise after that which is non negotiable. They deferred the raise this year and they are guaranteed the next three years at 3% a year and this would save a million and a half now but end up costing them eleven million.

With no other business at hand a motion to adjourn the meeting at 8:25 PM by Nygren, seconded by Gates. The next Budget Committee meeting is Wednesday, September 16, 2009 at 9:00 AM.

Respectfully submitted by,

Jeanne Nygren
Recording Secretary